# Senate



General Assembly

File No. 244

January Session, 2005

Substitute Senate Bill No. 1296

Senate, April 11, 2005

The Committee on Insurance and Real Estate reported through SEN. CRISCO of the 17th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

## AN ACT CONCERNING PROFESSIONAL LIABILITY PREMIUM RELIEF FOR RESEARCH OBSTETRICIANS AND GYNECOLOGISTS WHO PROVIDE MEDICAID CARE IN ACADEMIC INSTITUTIONS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- 1 Section 1. (NEW) (Effective from passage) (a) There is established a
- 2 Medical Malpractice Premium Relief Fund for the purpose of
- 3 providing professional liability insurance premium support for
- 4 obstetricians and gynecologists who practice in association with a
- 5 research department of a university in this state. Such obstetrician or
- 6 gynecologist shall be eligible for compensation if at least twenty-five
- 7 per cent of the patients served by the university, obstetrician or
- 8 gynecologist on an annual basis are Medicaid patients. No
- 9 compensation from such fund shall exceed twenty-five per cent of such
- 10 obstetrician's or gynecologist's premium in any calendar year.
- 11 (b) The fund shall be administered by the Insurance Commissioner.
- 12 Any obstetrician or gynecologist that meets the criteria set forth in

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subsection (a) of this section may apply for compensation from the fund on such form and in such manner as the commissioner prescribes.

- (c) The commissioner shall adopt regulations, in accordance with chapter 54 of the general statutes, to implement this section.
- Sec. 2. (*Effective July 1, 2005*) (a) The sum of two hundred fifty thousand dollars is appropriated to the Insurance Department, from the General Fund, for the fiscal year ending June 30, 2006, for the purpose of providing compensation pursuant to the Medical
- 21 Malpractice Premium Relief Fund established in section 1 of this act.
- 22 (b) The sum of two hundred fifty thousand dollars is appropriated 23 to the Insurance Department, from the General Fund, for the fiscal year 24 ending June 30, 2007, for the purpose of providing compensation 25 pursuant to the Medical Malpractice Premium Relief Fund established 26 in section 1 of this act.

This act shall take effect as follows and shall amend the following					
sections:					
Section 1	from passage	New section			
Sec. 2	July 1, 2005	New section			

INS Joint Favorable Subst.

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The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

#### **OFA Fiscal Note**

#### State Impact:

Agency Affected	Fund-Effect	FY 06 \$	FY 07 \$
Resources of the General Fund	GF - Transfer	250,000	250,000
	from		
Insurance Dept.	IF - Transfer to	250,000	250,000

Note: GF=General Fund; IF=Insurance Fund

### Municipal Impact: None

#### Explanation

This bill creates the Medical Malpractice Premium Relief Fund, a fund to be administered by the Insurance Commissioner, and provides professional liability insurance premium assistance for obstetricians and gynecologists. Under the bill, \$250,000 in FY 06 and FY 07 is appropriated from the General Fund to the Insurance Department.

The bill makes other various changes, none of which have a fiscal impact.

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### **OLR Bill Analysis**

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AN ACT CONCERNING PROFESSIONAL LIABILITY PREMIUM RELIEF FOR RESEARCH OBSTETRICIANS AND GYNECOLOGISTS WHO PROVIDE MEDICAID CARE IN ACADEMIC INSTITUTIONS

#### SUMMARY:

This bill creates a fund to provide professional liability insurance premium assistance for obstetricians and gynecologists if (1) they practice in association with a research department of a Connecticut university and (2) at least 25% of the patients they or the university serves on an annual basis are Medicaid patients. The assistance may not exceed 25% of their premium in any calendar year.

The insurance commissioner administers the fund and must adopt implementing regulations. Obstetricians or gynecologists may apply for compensation from the fund in whatever manner the commissioner prescribes.

The bill appropriates \$250,000 a year from the General Fund to the Insurance Department for the fiscal years ending June 30, 2006, and June 30, 2007.

EFFECTIVE DATE: Upon passage, except the provision appropriating funds becomes effective July 1, 2005.

#### **COMMITTEE ACTION**

Insurance and Real Estate Committee

Joint Favorable Substitute Yea 10 Nay 6